

ALABAMA DEPARTMENT OF REVENUE  
ADMINISTRATIVE CODE

CHAPTER 810-3-83

Payment of Estimated Tax

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810-3-83-.01. Payment on Declaration of Estimated Tax for Individuals.

(1) (a) An individual required to file Form 40-ES on or before April 15th of the taxable year must make payments in four equal installments on or before April 15th, June 15th, and September 15th of the taxable year and January 15th of the succeeding year.

(b) An individual required to file Form 40-ES on or before June 15th of the taxable year must make payments in three equal installments on or before June 15th and September 15th of the taxable year and January 15th of the succeeding year.

(c) An individual required to file Form 40-ES on or before September 15th of the taxable year must make payments in two equal installments on or before September 15th of the taxable year and January 15th of the succeeding year.

(d) An individual required to file Form 40-ES after September 15th of the taxable year must pay the total amount estimated on or before January 15th of the succeeding year.

(2) When filing an amended declaration, all payments that would have been due if the amended amount had been originally estimated, less any prior payments, must be paid when the amended declaration is filed.

(a) EXAMPLE: A taxpayer filed a declaration of April 15 with an estimated tax liability of \$400. Installments of \$100 were paid on April 15 and June 15. On September 15, an amended declaration was filed with a revised estimated liability of \$1,000. The amount to be paid with the amended declaration is \$550 ( $\$1,000/4 = \$250$  per installment = \$500 for April and June less \$200 paid = \$300 balance plus \$250 current installment).

(3) (a) For taxpayer utilizing a fiscal year, payments must be made on the 15th day of the 4th, 6th, and 9th months of the fiscal year, and the 15th day of the 1st month of the succeeding year.

(b) For taxpayers with taxable years of at least four (4) months, but less than twelve (12) ("short-period" estimates), payments will be due on the dates specified above which fall within the short-period. See Reg. 810-3-82-.01.

(4) A prior year overpayment of tax which is claimed as a credit against the declaration of estimated tax will be applied against the earliest quarterly (or other periodic) installments due on or after the date the return is filed.

(5) At the election of the taxpayer, any installment of estimated tax may be paid prior to the date prescribed for its payment.

Authors: Ecta B. Spicer, Ewell Berry and John H. Burgess  
Income Tax Division

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810-3-83-.02. Payment on Declaration of Estimated Tax for Corporations.

(1) A corporation required to file Form 20-CD "Declaration of Estimated Tax," shall pay the estimated tax due in the following manner. For a calendar year taxpayer, if the requirement to file Form 20-CD is met -

(a) on or before April 15th; in four equal installments on or before April 15th, June 15th, September 15th, and December 15th.

(b) on or before June 15th; in three equal installments on or before June 15th, September 15th, and December 15th.

(c) on or before September 15th; in two equal installments on or before September 15th and December 15th.

(d) after September 15th; in a single payment on or before December 15th.

(2) (a) For fiscal year taxpayers, substitute the appropriate dates of the fourth, sixth, ninth and twelfth months of the fiscal year for April, June, September and December respectively in paragraph (1) above.

(b) For taxpayers with taxable years of at least four (4) months, but less than twelve (12) ("short-period" estimates), payments will be due on the dates specified above which fall within the short-period. See Reg. 810-3-82-.02.

(3) When filing an amended declaration of estimated tax under the provisions of § 40-18-82, all amounts that would have been due if the amended amount had been originally estimated, less any prior payments, must be paid with the amended declaration.

(a) EXAMPLE: On April 15th, a corporation filed a declaration of estimated tax in the amount of \$6,000. Payments of \$1,500 were made on April 15th and June 15th. In August there was reason to believe that the current year's tax liability would be \$10,000. The corporation should file an amended declaration of estimated tax on or before September 15th and pay \$4,000 (\$7,500 the amount of payments that would have been due, if the amended estimate had been originally estimated, less \$3,000 previously paid). \$2,500 should be paid on or before December 15th of the current year.

(4) A corporation may elect, on its return as filed, to have all or part of an overpayment shown on the return, credited to the declaration for the following year. The election may not be changed or revoked after the return is filed. Such overpayment will be credited as of the date filed of the return for the prior year to any installment then due. If no installment is due at that time, or if the credit is in

excess of the installment due, the overpayment will be considered a voluntary advance payment for installments due after that date.

(5) At the election of the taxpayer, any installment of the estimated tax may be paid prior to the date prescribed for its payment.

Authors: George E. Mingledorff, III,  
John H. Burgess  
Income Tax Division

Authority: § 40-18-83

History: